

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

In the Matter of:
Belk Post Office
Belk, Alabama

Docket No. A2011-82

UNITED STATES POSTAL SERVICE
COMMENTS REGARDING APPEAL
(November 16, 2011)

On September 22, 2011, the Postal Regulatory Commission (Commission) received an appeal postmarked September 13, 2011, from postal customer Mayor Ronald Waldrop ("Petitioner") objecting to the discontinuance of the Post Office at Belk, Alabama. On September 26, 2011, the Commission issued Order No. 872, its Notice and Order Accepting Appeal and Establishing Procedural Schedule under 39 U.S.C. § 404(d). In accordance with Order No. 872, the administrative record was filed with the Commission on October 7, 2011. On October 12, the Petitioner filed a Participant Statement in support of the petition and a petition signed by the residents of the Belk Community. Petitioner filed additional correspondence with the Commission on November 2.

The correspondence received by the Commission raises three issues: (1) the impact on the provision of postal services, (2) the impact on the community, and (3) the impact upon postal employees. See Participant's Statement. As reflected in the administrative record of this proceeding, the Postal Service gave these issues serious consideration. In addition, consistent with the Postal Service's statutory obligations and

Commission precedent,¹ the Postal Service gave consideration to a number of other issues, including economic savings. Accordingly, the determination to discontinue the Belk Post Office should be affirmed.

Background

The Final Determination To Close the Belk, Alabama Post Office and Continue to Provide Service by Fayette Post Office (“Final Determination” or “FD”)², as well as the administrative record, indicate that the Belk Post Office provides EAS-11 level service to 84 Post Office Box customers and general delivery customers, and 37 hours per week to retail customers.³ The postmaster of the Belk Post Office retired on November 30, 2009. Since the postmaster vacancy arose, an employee from a neighboring office was installed as an officer-in-charge (“OIC”) to operate the office. The noncareer postmaster relief (“PMR”) serving as the OIC may be separated from the Postal Service, although attempts will be made to reassign the employee to a nearby facility. No other postal employees will be adversely affected.⁴ The average number of daily retail window transactions at the Belk Post Office is 19, accounting for 25 minutes of workload daily. Revenue has been declining: \$26,528 in FY 2008 (89 revenue units); \$23,246 in FY 2009 (61 revenue units); and \$20,756 (54 revenue units) in FY 2010.⁵

¹ See 39 U.S.C. 404(d)(2)(A).

² The Final Determination can be found at Item 49 in the Administrative Record. All citations to the Final Determination will be to “FD at _____,” rather than to Item 49. The FD page number refers to the pages as marked on the upper right of the document. Other items in the administrative record are referred to as “Item _____.”

³ FD at 2; Item No. 18, (Form 4920) Post Office Closing or Consolidation Proposal Fact Sheet (“Fact Sheet”), at 1; Item No. 33, Proposal to Close the Belk, AL Post Office and Continue to Provide Services by Independent Post Office (“Proposal”), at 2.

⁴ FD at 13; Item No. 33, Proposal, at 13.

⁵ FD, at 2; Item No. 49, Post Office Fact Sheet, at 1; Item No. 33 Proposal, at 2.

Upon implementation of the Final Determination, delivery and retail services will be provided by rural or HCR carrier service emanating from the Fayette Post Office, an EAS-20 level office located 6 miles away.⁶ The rural or HCR carrier will deliver mail to mailboxes near customers' residences, while the Fayette Post Office will provide both delivery and retail services. Retail services are also available at the Kennedy Post Office, an EAS-16 level office located 5 miles away, which has 99 available Post Office Boxes.⁷

The Postal Service followed the proper procedures that led to the posting of the Final Determination. All issues raised by the customers of the Belk Post Office were considered and properly addressed by the Postal Service. The Postal Service complied with all notice requirements. In addition to the posting of the Proposal and Final Determination, customers received notice through other means. Questionnaires were distributed to all Post Office Box customers of the Belk Post Office. Questionnaires were also available over the counter for retail customers at the Belk Post Office.⁸ A letter from the Manager of Post Office Operations, Birmingham, AL, was also made available to postal customers, which advised customers that the Postal Service was evaluating whether the continued operation of the Belk Post Office was warranted, and that effective and regular service could be provided through regular delivery and retail services available at the Fayette Post Office and the Kennedy Post Office. The letter invited customers to complete and return a customer questionnaire and to express their

⁶FD at 2, 4, 5, 6, 8, 9, 11; Item No. 18, Post Office Fact Sheet, at 1; Item No. 33, Proposal, at 2, 13.

⁷FD at 2, 11.

⁸FD at 2; Item No. 20, Questionnaire Instruction Letter from P.O. Review Coordinator to OIC/Postmaster at Belk Post Office, at 1.

opinions about the service they were receiving and the effects of a possible change in the way their postal service is provided.⁹ Thirty-eight (38) customers returned questionnaires.¹⁰ In addition, representatives from the Postal Service were available at the Belk Post Office for a community meeting on April 19, 2011, to answer questions and provide information to customers.¹¹ Customers received formal notice of the Proposal and Final Determination through postings at nearby facilities. The Proposal was posted with an invitation for public comment at the Belk, Kennedy, and Fayette Post Offices for 60 days beginning May 23, 2011.¹² One congressional inquiry was received on May 23, 2011, and the Post Office responded.¹³ In response to the “Invitation for Comments” posted in conjunction with the Proposal, many additional comments were received, and the Post Office responded.¹⁴ The Final Determination was posted at the Belk, Kennedy, and Fayetteville Post Offices starting on September 8, 2011.¹⁵

In light of the postmaster vacancy; minimal workload; low and decreasing office revenue;¹⁶ the variety of delivery and retail options (including the convenience of rural delivery and retail service);¹⁷ minimal impact upon the community; and the expected financial savings,¹⁸ the Postal Service issued the Final Determination.¹⁹ Regular and

⁹ Item No. 21, Letter to Customer, at 1

¹⁰ Item No. 22, Returned customer questionnaires and Postal Service response letters.

¹¹ FD at 2; Item No. 22, Letter to Customer, at 1-38; Item No. 24, Community Meeting Roster; Item No. 25, Community Meeting Analysis; Item No. 33, Proposal, at 2.

¹² FD at 2; Item No. 33, Item 38, Invitation to Comments on the Proposal, at 1; Item 33, Proposal, at 2.

¹³ FD at 2; Item No. 33, Proposal at 2.

¹⁴ FD at 2 -17; Item No. 40, Postal Concerns Comments, 1- 8; Item No. 38, Letter to Customer, at 1-18.

¹⁵ FD at 1, 13.

¹⁶ See note 5 and accompanying text.

¹⁷ FD at 2-8; Item No, 41, Proposal, at 2-8.

¹⁸ FD at 12; Item No. 18, Post Office Fact Sheet, at 1; Item No. 33, Proposal, at 13.

effective postal services will continue to be provided to the Belk community in a cost-effective manner upon implementation of the Final Determination.²⁰

Each of the issues raised by the Petitioner is addressed in the paragraphs which follow.

Effect on Postal Services

Consistent with the mandate in 39 U.S.C. § 404(d)(2)(A)(iii) and as addressed throughout the administrative record, the Postal Service considered the effect of closing the Belk Post Office on postal services provided to Belk, Alabama customers. The closing is premised upon providing regular and effective postal services to Belk, Alabama customers.

The Petitioner, in his letter of appeal and in his Participant Statement, raises the issue of the effect on postal services of the Belk Post Office's closing, noting the convenience of the Belk Post Office. Petitioner states that travel to the Fayette Post Office would be inconvenient and result in a hardship on elderly customers. See Participant Statement. As explained throughout the administrative record, replacement service will be provided to the Belk community through rural or HCR carrier service emanating from the Fayette Post Office.²¹

With regard to Petitioner's concern about the need to travel to other Post Offices, the Postal Service explained that carriers can perform many functions (at the same time that the carrier delivers the mail) that alleviate the need to travel to nearby Post Offices

¹⁹ FD at 13.

²⁰ FD at 1.

²¹ FD at 4, 5, 6, 8, 9, 11.

for most transactions. FD at 2-8. Upon the implementation of the Final Determination, delivery and retail services will be provided by rural or HCR carrier. In addition to carrier service, customers may also receive delivery and services at the Fayette Post Office, which is located 6 miles away, and retail services at the Kennedy Post Office, which is 5 miles away. FD at 2, 13. The window service hours of the Fayette Post Office are from 8:30 a.m. to 4:30 p.m., Monday through Friday and 8:30 a.m. to 12:00 p.m. on Saturday. FD, at 2; Item No. 33, Proposal, at 2. The window service hours of the Kennedy Post Office are from 8:00 a.m. to 4:00 p.m., Monday through Friday and 8:00 a.m. to 10:00 p.m. on Saturday. FD, at 2; Item No. 33, Proposal, at 2. Furthermore, the special attention and assistance provided by the personnel at the Belk Post Office will be provided by personnel at the Fayette Post Office and from the carrier. FD at 2-8; Item No. 33, Proposal, at 2-8.

Customers do not have to make a special trip to the post office for service. Most transactions do not require meeting the carrier at the mailbox. FD at 2-8; Item No. 40, Returned Optional Comment Forms, at 1, 2, 4; Item No. 38, USPS Response letters to Comment Forms, at 1-3, 5, 6, 8-13, 15-16, 18; Item No. 33, Proposal, at 2-8.

The Petitioners also express concern for senior citizens and residents unable to drive to nearby communities. The record explains, however, that carrier service is beneficial to many senior citizens and those who face special challenges because they do not have to travel to the Post Office for service. FD at 3-4, 6; Item No. 40, Returned Optional Comment Forms, at 1, 2, 4; Item No. 38, USPS Response letters to Optional Comment Forms, at 1-3, 5, 6, 8-13, 15-16, 18; Item No. 33, Proposal, at 3-4, 6. When

packages do not fit in the customers' mail box, the carrier will deliver the package up to ½ mile off the line of travel, at a designated place, such as the customer's porch or under carport. FD at 2, 10; Item No. 33, Proposal, at 10 (Concern #58 and Response); Item No. 38, USPS Response Letters to Optional Comment Forms, at 3, 10, 12, 15, 16. In hardship cases, delivery can be made to the home of a customer. FD at 4, 6; Item No. 38, USPS Response letters to Option Comment Forms, at 1, 9, 12, 15, 16; Item No. 33, Proposal, at 4, 6.

Additionally, the Postal Service explained that it offers several convenient options that can save customers a trip to the Post Office and do not require interaction with a carrier. FD at 2-8; Item No. 33 Proposal, at 2-8. For example, stamps by Mail and Money Order Application forms are available for customer convenience. FD, at 2-8 Item 38, USPS Response letters to Optional Comment Forms, at 1-3, 5, 6, 8-13, 15-16, 18; Item No. 33, Proposal, at 2-8.

Petitioner contends that closing the Belk Post Office will be detrimental to the business community, because the local businesses regularly use the Belk Post Office. The Postal Service addressed this concern, noting that business customers require consistent and effective service, which will be provided by the Fayette Post Office and its carriers. FD at 2, 3, 12. More so, to the extent that Petitioner suggests that many businesses would lose customers because of the Belk Post Office closing, the Administrative Record reveals that that customers would continue to use local businesses despite the closing. FD at 2, 3; see generally Item 22, Returned

Questionnaires and Postal Service Response Letters. As such, the closing of the Belk Post Office will not adversely affect the business community in Belk. FD at 2, 6.

Thus, the Postal Service has properly concluded that all Belk customers will continue to receive regular and effective service.

Effect Upon the Belk Community

The Postal Service is obligated to consider the effect of its decision to close the Belk Post Office upon the Belk community. 39 U.S.C. § 404(d)(2)(A)(i). While the primary purpose of the Postal Service is to provide postal services, the statute recognizes the substantial role in community affairs often played by local Post Offices, and requires consideration of that role whenever the Postal Service proposes to close or consolidate a Post Office.

Belk is an incorporated community located in Fayette County. The community is administered politically by a Mayor Town Council City Hall. Police protection is provided by the Fayette Sheriff Department and fire protection is provided by the Belk Volunteer Fire Department. The community is comprised of retired people, farmers, and those who commute to work in nearby communities and work for local businesses. FD, at 11; Item No. 16, Community Survey Sheet, at 1; Item No. 41, Proposal at 12. Petitioner expresses concern about the effect of closing the Belk Post Office upon the Belk community. More specifically, Petitioner contends that the Belk Post Office, which has had a continuous presence in the town, plays an important role in the community by providing a place for informal community gatherings. Mainly, the Postal Service addressed the impact on the community by explaining that customers could continue to

meet informally, socialize, and share information at the other businesses, churches, and residences in town. FD, at 3-4; Item No.22, Returned customer questionnaires and Postal Service response letters, at 39-58; Item No.23, Customer Questionnaire Analysis, at 1; Item No.25, Community Meeting Analysis; Item No. 33, Proposal, at 4. The record makes clear that the Postal Service is also addressing this concern through preservation of the community identity by continuing the use of the Belk name and ZIP Code in addresses. FD at 11; Item No.50, Postal Bulletin Post Office Change Announcement, at 1.

Additionally, Petitioner states that Belk is a thriving community, both culturally and industrially, and that a Post Office is an integral part of this community. Participant's Statement; see also Item No. 22, Postal Customer Questionnaire, at 46, 50. However, as reflected in the Administrative Record, the Fayette Post Office and its carrier service will be able to continue to provide service to the Belk community. FD at 3; Item 33, Proposal, at 3. As indicated in the record, a community's identity derives from the interest and vitality of its residents and their use of its name.

Thus, the Postal Service has met its burden, as set forth in 39 U.S.C. § 404(d)(2)(A)(i), by considering the effect of closing the Belk Post Office on the community served by the Belk Post Office.

Economic Savings

Postal officials also properly considered the economic savings that would result from the proposed closing, as provided under 39 U.S.C. § 404(d)(2)(A)(iv). The Postal Service estimates that a highway contract route or rural route carrier service would cost

the Postal Service substantially less than maintaining the Belk Post Office and would still provide regular and effective service. FD at 12; Item No. 17, Highway Contract Route Analysis and Rural Route Carrier Analysis; Item No. 33 Proposal, at 13. The estimated annual savings associated with discontinuing the Belk Post Office are \$44,279. FD at 12; Item No. 33, Proposal, at 13. Economic factors are one of several factors that the Postal Service considered, and economic savings have been calculated as required for discontinuance studies, which is noted throughout the administrative record and consistent with the mandate in 39 U.S.C. § 404(d)(2)(A)(iv). FD at 11-12; Item No. 33, Proposal, at 12-13.

The Postal Service determined that rural or contract carrier service and conducting business at the Fayette Post Office are more cost-effective than maintaining the Belk Post Office Hill postal facility and postmaster position. FD at 13. The Postal Service's estimates are supported by record evidence, in accordance with the Postal Service's statutory obligations. The Postal Service, therefore, has considered the economic savings to the Postal Service resulting from such a closing, consistent with its statutory obligations and Commission precedent. See 39 U.S.C. § 404(d)(2)(A)(iv).

Effect on Employees

As documented in the record, the impact on postal employees is minimal. The postmaster was promoted on November 30, 2009. A noncareer employee from a neighboring office was installed as the temporary officer-in-charge (OIC). The noncareer PMR serving as the OIC may be separated from the Postal Service, although attempts will be made to reassign the employee to a nearby facility. The record shows

that no other employee would be affected by this closing. FD at 12; Item No. 15, Post Office Survey Sheet, at 1; Item No. 33, Proposal, at 13.

Petitioner states that the current employee at the Belk Post Office provides excellent service. The Postal Service appreciates this observation, but is also charged with responsibility to promote efficiency of operations. Consequently, this concern does not outweigh the other considerations cited in support of the FD.

Therefore, in making the determination, the Postal Service considered the effect of the closing on the employees at the Belk Post Office, consistent with its statutory obligations. See 39 U.S.C. § 404(d)(2)(A)(ii).

Conclusion

As reflected throughout the administrative record, the Postal Service has followed the proper procedures and carefully considered the effect of closing the Belk Post Office on the provision of postal services and on the Belk community, as well as the economic savings that would result from the proposed closing, the effect on postal employees, and other factors, consistent with the mandate of 39 U.S.C. § 404(d)(2)(A).

After taking all factors into consideration, the Postal Service determined that the advantages of discontinuance outweigh the disadvantages. In addition, the Postal Service concluded that after the discontinuance, the Postal Service will continue to provide effective and regular service to Belk community customers. FD at 2. The Postal Service respectfully submits that this conclusion is consistent with and supported by the administrative record and is in accord with the policies stated in 39 U.S.C.

§ 404(d)(2)(A). The Postal Service's decision to close the Belk Post Office should, accordingly, be affirmed.

The Postal Service respectfully requests that the determination to close the Belk Post Office be affirmed.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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